

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 187934

64

ORIGIN EB-11

INFO OCT-01 EA-11 ISO-00 CAB-09 CIAE-00 COME-00 DODE-00

DOT-00 INR-11 NSAE-00 RSC-01 FAA-00 SS-20 NSC-07 L-03

/074 R

DRAFTED BY EB/AN:WBCOBB:TH

APPROVED BY EB/AN:WBCOBB

EA/IMS - MR. DION

CAB - MR. HORNEMAN

----- 074262

R 271912Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

LIMITED OFFICIAL USE STATE 187934

E.O. 11652: N/A

TAGS: EAIR, ID

SUBJECT: GOI QUERY RE CONSULTATIONS

REF: JAKARTA 10358

1. FOR EMBASSY BACKGROUND ONLY:

A. USG HAS NO LEGAL AUTHORITY TO PREVENT PAN AM FROM INITIATING ALL-CARGO OPERATIONS AS PROPOSED AND IN OUR VIEW INDONESIA REFUSAL TO GRANT PERMISSION WOULD BE VIOLATION AIR TRANSPORT AGREEMENT. HOWEVER, USG DOES HAVE INFLUENCE WITH PAN AM AND CAN COUNSEL RESTRAINT IF CONVINCED THIS WOULD BE IN BEST INTEREST ALL CONCERNED. WE WOULD BE HESITANT GIVE SUCH COUNSEL UNTIL WE HAVE OPPORTUNITY EXPLORE PROBLEMS IN DEPTH WITH INDONESIAN AUTHORITIES. STRONGLY PREFERRED PROCEDURE WOULD BE TO URGE GOI TO ABIDE BY BILATERAL AND ISSUE PERMIT, NOTING THAT IF IT APPEARS ON THE BASIS OF AN EVALUATION OF PAN AM'S OPERATING EXPERIENCE THAT PROPOSED SERVICE INCONSISTENT WITH AGREEMENT, GOI MAY REQUEST CONSULTATIONS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 187934

B. PROPOSED SERVICE IS IN USG VIEW CONSISTENT WITH
BILATERAL.

C. AS MATTER OF LONG STANDING POLICY AND IN ACCORDANCE
US ANTI-TRUST LEGISLATION USG HAS CONSISTENTLY OPPOSED
COMMERCIAL POOLING OR REVENUE SHARING ARRANGEMENTS
BETWEEN US AND FOREIGN FLAG CARRIERS. SUCH ARRANGEMENTS
IN RESTRAINT OF FREE MARKET JUDGMENTS CLEARLY GIVE USG
GREAT DIFFICULTIES. EMBASSY SHOULD MAKE CLEAR TO GOI
CONTACTS THAT ARRANGEMENTS THIS GENERAL NATURE ARE NOT
WITHIN BALL PARK. OF COURSE, INTERLINE SALES AGENCY
AGREEMENTS UNDER WICH ONE CARRIER PROVIDES MARKETING
AND SALES SUPPORT FOR ANOTHER AND INTERLINE COORDINATION
OF SCHEDULES IN ORDER PROVIDE IMPROVED SERVICE TO THE
PUBLIC CAN BE WORKED OUT BETWEEN CARRIERS WITHIN
FRAMEWORK OF US CIVAIR POLICY. FYI: THERE HAVE BEEN
OCCASIONS WHEN A BLOCKED-SPACE ARRANGEMENT WORKED OUT
VOLUNTARILY BETWEEN US AND FOREIGN CARRIERS HAS BEEN
FOUND ACCEPTABLE BY THE US CAB BUT A PRIORI APPROVAL
CANNOT BE GIVEN TO SUCH SCHEME. MUCH WOULD DEPEND ON
THE DETAILS OF THE BLOCKED-SPACE ARRANGEMENT WHICH MUST
BE SUBMITTED TO THE CAB FOR APPROVAL. END FYI.

2. WITH REGARD TO COMMUNICATIONS MINISTER'S LETTER
EMBASSY SHOULD A) REQUEST FAVORABLE ACTION ON PAN AM'S
REQUEST FOR ALL CARGO SERVICE PERMIT; B) ADVISE GOI
THAT US CARRIERS ARE PROHIBITED FROM ENTERING INTO
INTERLINE ARRANGEMENTS WHICH COMPREHEND COMMERCIAL
POOLING AND/OR REVENUE SHARING AND THEREFORE USG WOULD
NOT REQUEST OUR DESIGNATED CARRIER TO ENTER DISCUSSIONS
HAVING SUCH ARRANGEMENTS AS THEIR PURPOSE. C) NOTE
THAT "INTERLINE ARRANGEMENTS" AS ABOVE CANNOT BE
APPROVED BY USG EITHER UNILATERALLY OR AS THE RESULT OF
NEGOTIATIONS, BUT THAT CARRIERS ARE NOT PROHIBITED FROM
WORKING OUT INTERLINE SALES ARRANGEMENTS AND SCHEDULE
COORDINATION.

3. FYI: USG WILL PROBABLY BE SENDING A TEAM TO
BANGKOK IN EARLY NOVEMBER FOR FURTHER DISCUSSIONS WITH
THAILAND. PLANS HAD NOT BEEN MADE TO INCLUDE JAKARTA IN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 187934

THE TRIP BUT PERHAPS THIS COULD BE DONE IF CIRCUMSTANCES
WARRANT. END FYI. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, AIR CARGO, LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 27 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: martinml
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE187934
Document Source: CORE
Document Unique ID: 00
Drafter: WBCOBB:TH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740237-0580
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740814/aaaaalog.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: JAKARTA 10358
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 29 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 JUL 2002 by elyme>; RELEASED <29 JUL 2002 by elyme>; APPROVED <19 MAR 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOI QUERY RE CONSULTATIONS
TAGS: EAIR, ID, PANAM
To: JAKARTA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005